

**LANCASHIRE COMBINED FIRE AUTHORITY
AUDIT COMMITTEE**

Meeting to be held on 30 July 2019

**RISK MANAGEMENT
(Appendix 1 refers)**

Contact for further information:

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Executive Summary

The report highlights action taken in respect of corporate risk since these were last reported to the Audit Committee.

Recommendation

The Committee is asked to note the actions taken and endorse the revised corporate risk register

Information

The latest review of the corporate risk register has identified one new risk which warrants inclusion on the corporate risk register:-

Pensionability of Allowances

Following a High Court decision on the pensionability of allowances, which provides a different interpretation to both the historical basis and to previous decisions of the Pensions Ombudsman, the pensionability of various allowances will change with associated cost implications.

The position is unclear and the fire service (including LFRS) is awaiting guidance from the LGE. Issues to be determined include:-

- What is the correct interpretation
- The impact in respect of each of the three pension schemes
- Does backdating apply
- How to treat both employee and employer contributions
- The position of representative bodies on this

Whatever the final position, making allowances pensionable will add a significant cost to our budget.

Based on the above analysis it is clear that this presents significant risk from a cost perspective, as such it is proposed to add this risk to the corporate risk register as a high risk, with the situation going forward being monitored.

Of the existing risks 1 has been reviewed, and an updated corporate risk register is attached as appendix 1, with changes summarised below:-

		Update since last meeting	Proposed Risk Score	
1	Insufficient resources due to poor funding settlement, inability to make required savings, additional financial pressures such as RDS pensions etc., plus council tax limits via local referendum resulting in Authority being unable to set a balanced budget	No change, not due to report till 31/3/20	16	High
2	Premises Risk Information: That operational staff do not have available adequate and reliable premises information to efficiently resolve operational incidents: Risk information is provided to operational staff based on premises information and premises risk are identified on a continuous basis although this is not consistent throughout the Service.	No change, not due to report till 31/12/19	9	Medium
3	Insufficient staffing resources, due to Industrial Action, to deal with operational demand and fulfil statutory responsibilities	No change, not due to report till 31/3/20	12	Medium
4	Lack of availability of water supplies for fire fighting prevents effective fire fighting resulting in additional damage to property and increased risk to life.	Previously discharged		
5	The increasing age profile of operational staff could adversely affect our ability to deliver effective emergency response.	Previously discharged		
6	Operational staff do not have the required skills to operate safely at an incident with the potential to result in F/F injuries or fatalities.	No change, not due to report till 31/3/20	9	Medium

7	Failure of key ICT systems resulting in disruption to services	The implementation phase of the new WAN is well underway with the proof of concept site in test. The new Security System Engineer role successfully put us through the Cyber Essentials accreditation and is working towards the next level, Cyber Essentials Plus. Upgrades to key parts of our infrastructure are on track as is the replacement of Windows 7 and Office 2010 that's end of life January 2020.	Remains at 9	Medium
8	Loss of corporate reputation through negative publicity	No change, not due to report till 31/12/19	9	Medium
9	Retention and recruitment of RDS staff impacts on RDS appliance availability	No change, not due to report till 31/12/19	9	Medium
10	Lack of workforce planning resulting in significant over/under provision of staff and resulting impact on service and finances	Previously discharged		Medium
11	Lack of compliance with legislation resulting in prosecution or compliance order	Previously discharged		
12	Ineffective Health and Safety in the workplace, resulting in prosecution, intervention fees etc.	No change, not due to report till 31/12/19	9	Medium
13	Lack of effective Information management impacting on service delivery and support or leading to a breach of data protection/freedom of information or a loss of sensitive/personal information	No change, not due to report till 31/12/19	9	Medium
14	Delayed mobilisation, impacting on service delivery	No change, not due to report till 31/12/19	9	Medium
15	High levels of staff absence due to outbreak of ebola.	Previously discharged		

16	Lack of clarity on future of FRS, leading to inertia	Previously discharged		
17	Failure of ESMCP to deliver a viable communication facility.	No change, not due to report till 31/12/19	9	Medium
18	Inability to maintain service provision in spate conditions	Previously discharged		
19	Failure to maximise the opportunities that technological advances present due to a lack of capacity within the ICT department, and an inability of staff to keep pace with new development that are implemented	No change, not due to report till 31/3/20	9	Medium
20	Loss of support for Vector Incident Command product with the product name Command Support System (CSS) leading to ineffective command function at large incidents	No change, not due to report till 31/12/19	9	Medium
21	Risk of rapid external fire spread in high rise premise resulting in a major incident	No change, not due to report till 31/12/19	10	Medium
22	Failure to maximise collaborative opportunities presented by Policing and Crime Act 2017	No change, not due to report till 31/12/19	9	Medium
23	Lack of leadership capacity impacting on delivery of services	No change, not due to report till 31/12/19	9	Medium
24	Insufficient preparation for inspection programme leading to opportunities being lost in terms of national learning and Lancashire's ability to effectively communicate its progress and awareness	Previously discharged		
25	The outcome of the EU court ruling on the Matzak case relating to on-call arrangements in Belgium has a detrimental impact on service provision and/or cost.	No change, not due to report till 30/9/19	10	Medium
26	Increase in costs of and/or lack of availability of goods and services, following Brexit	No change, not due to report till 30/9/19	12	Medium

Financial Implications

None

Human Resource Implications

None

Equality and Diversity Implications

None

Environmental Impact

None

Business Risk Implications

The improvement in risk management arrangements should result in reduced business risk

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact
None		
Reason for inclusion in Part II, if appropriate:		